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The Influence of Return On Assets (ROA), Return On Equity (ROE), Debt To Asset Ratio (DAR), Debt To Equity Ratio (DER), Dividend Payout Ratio (DPR), and Net Profit Margin (NPM) on Stock Prices

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Abstract: . *This research aims to determine the effect of Return On Assets (ROA), Return On Equity (ROE), Debt to Assets Ratio (DAR), Debt to Equity Ratio (DER), Dividend Payout Ratio (DPR), and Net Profit Margin (NPM) on share prices on company value in LQ45 companies listed on the Indonesian Stock Exchange . This study uses quantitative methods with secondary data. The population in this study are LQ45 companies listed on the Indonesian Stock Exchangeperiod 2017-2021. The number of samples in this study were 17 companies and the samples used were 82 samples. The sampling technique used was purposivesampling. The data analysis technique used was multiple linear regression analysis with the help of the SPSS 24 application . The results of the analysis show that partially Return On Assets* (ROA), *Debt to Assets Ratio (* DAR), *Dividend Payout Ratio* (DPR) , and *Net Profit Margin* (NPM) have no *effect on stock prices. Meanwhile , Return On Equity (ROE) and Debt to Equity Ratio (DER) affect stock prices.*

Keywords : *Return On Assets* (ROA), *Return On Equity (ROE), Debt to Assets Ratio (* DAR), *Debt to Equity Ratio (DER), Dividend Payout Ratio* (DPR) , and *Net Profit Margin* (NPM), and Stock Price

I. INTRODUCTION

The capital market is a market for various long-term financial instruments that can be traded, both debt securities (bonds), equity (shares), mutual funds, *derivative* instruments and other instruments (No et al., 1995) . According to the Capital Market Law no. 8 of 1995 concerning the capital market defines the Capital Market as activities concerned with Public Offerings and Securities trading, Public Companies related to the Securities they issue, as well as institutions and professions related to Securities". capital performs 2 functions at once, namely the economic function and the financial function.The capital market is said to have an economic function because the market provides facilities or vehicles that bring together 2 interests, namely those who have excess funds (investors) and those who need funds (issuers) (Coal , 2022) .In Indonesia, the capital market is developing rapidly compared to the previous year, this development can be seen from the number of issuers listed on the Indonesia Stock Exchange (Mulyono *et al* ., 2018).

Financial instruments traded in the capital market are long-term instruments (with a term of more than 1 year) such as stocks, bonds, warrants, *rights* , mutual funds, and various *derivative instruments* such as *options* , *futures* , and others (No et al., 1995) . Stocks are one of the instruments in the capital market that are often used by investors to invest. Shares are securities that show the ownership or participation of investors in a company that is listed on the capital market. One factor that supports investors' trust is their perception that securities reflect all relevant information. Before investors enter the capital market, to choose stocks as an investment alternative, they must consider the level of profit that will be allowed now and in the future, therefore information is needed that shows the rate of return on invested capital .

Financial reports are a source of information that is expected to be able to provide assistance to investors, creditors and *stakeholders* in making financial economic decisions (Safitri et al., 2022) . When investing in stocks, investors make stock prices a determining factor for investment. Stock prices must be made as optimal as possible so that they are not too high or not too low (Asrida, 2017) . There are many ways to analyze stock prices. In general, it is grouped into 2 (two), namely fundamental analysis techniques and technical analysis techniques. Fundamental analysis technique is an analysis technique which states that investors are rational in making stock investment decisions. While technical analysis techniques are analytical techniques that use charts or computer programs to determine market trends.

The concept of the fundamental approach uses the basics of the results of the company's financial statements and developments in stock prices on the capital market. The main considerations are the internal factors of the company, such as earnings per share, dividends per share, capital structure, growth potential and prospects for the company in the future which show the company's performance that influences stock prices. Because these fundamental factors assume that investors are rational, they will try to study the relationship between stock prices and company conditions by using the company's financial ratios. Ratio analysis provides indicators that can measure the level of profitability, liquidity, income, use of company assets and liabilities (Manoppo, 2015).

Research conducted by Damayanti and Valianti (2018) regarding the effect of the *Debt to Assets Ratio, Debt to Equity Ratio, Return On Assets,* and *Net Profit Margin* on stock prices shows that the *Debt to Assets Ratio, Return On Assets,* and *Net Profit Margin* have a significant effect significant to stock prices, while the *Debt to Equity Ratio variable* has no effect on stock prices . This study wants to re-examine the *Debt to Assets Ratio, Debt to Equity Ratio, Return On Assets,* and *Net Profit Margin variables* on stock prices.by adding the variable *Return On Equity, Debt to Assets Ratio.* To see if there are other variables that can be considered to see stock prices in investing .

II. LITERATURE REVIEW

2.1. Signal Theory (*Signaling Theory)*

Signaling *theory* was first introduced by Spence in his research entitled *Job Market Signaling*. Spence (1973) suggests that a signal or *signal* gives a signal, the sender (owner of the information) tries to provide relevant pieces of information that can be utilized by the recipient.*Signaling theory* suggests how a company should provide signals to users of financial statements. This signal is in the form of information about what has been done by management to realize the wishes of the owner. Signals can be in the form of promotions or other information stating that the company is better than other companies.

Information published as an announcement will provide a signal for investors in making investment decisions. When the information is announced and all market participants have received the information, market participants first interpret and analyze the information as a good *signal* (*good news*) or bad *signal* (*bad news*) (Fahmi and Irham, 2014) . One type of information issued by a company that can be a signal for parties outside the company, especially for investors, is the annual report. Information disclosed in annual reports can be in the form of information regarding financial reports and non-accounting information, namely information that is not related to financial reports, one of which is information regarding *corporate governance* disclosed by the company (Azzahra, 2020)

2.2. Agency Theory (Agency Theory)

Agency theory explains how the parties involved in the company (company owner managers and creditors) will behave, because basically they have different interests . Based on the *agency theory* , it can be seen that there is a difference in the interests of management and the interests of the company's shareholders . Shareholders do not like the personal interests of managers because it will increase the company's coststhus causing a decrease in company profits and affecting stock prices. The importance of the practice of disclosing annual reports by management to shareholders is based on agency theory .

2.3. *Bird In The Hand Theory*

The *bird in the hand* theory is one of several theories in dividend policy, this theory was developed by Myron Gordon (1956) and John Lintner (1962). Gordon and Lintner stated that investors prefer cash dividends

rather than being promised a return on investment (*capital gain)* in the future, because receiving cash dividends is a form of certainty which means reducing risk (Nani et al., 2019) . Investors will be willing to pay a higher price for companies that are currently paying dividends. Expectations of current dividend payments occur because there is an assumption that getting dividends at this time is less risky than getting*capital gains* in the future, even though future capital gains can provide higher returns than current dividends, in addition to risks, there is also uncertainty about the company's cash flows in the future (Atmaja, 2008: 287).

2.4. Stock price

The share price is a price in the capital market set by the company for other parties who also wish to have share ownership rights. Many things affect stock prices so that stock prices increase and decrease, one of which is due to demand and supply in the capital market. High demand will have an impact on increasing the company's stock price and can have a *capital gain effect* on other parties or investors who invest in the company.

The movement of stock prices in the capital market is strongly influenced by many factors, such as financial reportscompanies, the level of supply and demand for stocks, inflation rates, interest rates, government policies, levelsrisks, politics and security of a country (Siagian et al., 2021).Valuation of stock prices is very important and fundamental for investors before making an investment because stocks are one of the most promising types of investment for investors.

2.5. *Return on assets* (ROA)

Return on assets (ROA) is the ratio used to measure a company's ability to generate profits from investment assets . This ratio is used to measure management's ability to obtain overall profits. The greater the ROA, the greater the level of profit achieved by the company and the better the position of the company in terms of asset use . The higher this ratio, the better the asset productivity in obtaining net profit. This will further increase the attractiveness of the company to investors .

2.6. *Return on Equity (ROE)*

Return on Equity (ROE) shows how much the company's ability to generate profits with its own capital. This ratio is useful for knowing the efficiency of management in running its capital. The higher the ROE means the better the company's performance in managing its capital to generate profits for shareholders. It can be said that the company can use capital from shareholders effectively and efficiently to earn profits.

2.7. *Debt to Asset Ratio*(DAR)

*Debt to Asset Ratio*is the debt ratio used to measure the ratio between total debt and total assets. How much of the company 's assets are financed by debt or how much does the company's debt affect asset management (Kasmir 2010: 156).This ratio is to measure the ratio of the amount of debt to total assets. So that this will affect asset financing which will affect profits or profits . The higher the DAR , meaning that the funding with more debt, the more difficult it is for the company to obtain additional loans because it is feared that the company will not be able to pay its debts with its assets.

2.8. *Debt to Equity Ratio (DER)*

Debt to Equity Ratio (DER) is the ratio of total debt to equity, a comparison between total debt and equity. This ratio describes the proportion of sources in long-term funding to company assets. Thus, the higher this ratio, the higher the company's financial risk. Companies that have high financial risk tend to be avoided by potential investors because of the low stock return value (Riyanto, 2008).

2.9. *Dividend Payout Ratio* (DPR)

Dividend Payout Ratio (DPR) is a ratio that looks at the company's share of income paid to shareholders in the form of dividends, which is calculated by dividing dividends per share by income per share . Dividend distribution gives a positive signal to investors regarding the prospects of the stock because it indicates the company's ability to generate profits. The higher the DPR will benefit investors, but from the company's point of view it will weaken internal finance because it will reduce retained earnings.

2.10. *Net Profit Margin* (NPM)

The NPM ratio measures the amount of net profit on sales generated by the company which is allocated to each shareholder who has certain ownership rights. Investors can see whether the company is efficient or not in corporate governance (Bustani et al., 2021) . The greater the *Net Profit Margin* , the more productive the company's performance will be, thereby increasing investor confidence to invest in the company (Bastian and Suhardjono, 2006).

III. RESEARCH METHODOLOGY

research is a quantitative research, using descriptive method. This study uses secondary data obtained through the sitewww.idx.co.id . Populationin this study are LQ45 companies listed on the IDX for the 2017-2021 period . Determining the number of samples in this study using a *purposive sampling method* . Determination of the sample in this study through several criteria. The following sampling criteria are as follows:

1. LQ45 companywho have been registered based on the IDX classification for the 2017-2021 period .
2. LQ45 companies listed consecutively during the 2017-2021 period
3. LQ45 companies that publish financial reports consecutively during the period 2017 -2021 .
4. companies that experienced no loss or profit during the 2017-2021 period
5. companies that use the rupiah currency during the 2017-2021 period
6. company that distributes dividends during the 2017-2021 period

3.1. Variable Definitions

3.1.1. The dependent variable in this study is the stock price. In this study, the stock price or market price per share uses the market price as of December 31 or the closing stock price for the 2017-2021 period found on the capital market.

3.1.2. *Return on assets* (ROA)

ROA is net income to total assets which is used to determine a company's ability to generate profits relative to the value of its total assets. The higher the ROA, the higher the stock price. The lower the ROA price, the lower the stock price . In this study ROA is calculated using the following formula:

$$ROA = \frac{\text{net profit}}{\text{total aseet}} \text{X}100\%$$

3.1.3. *Return on Equity (ROE)*

ROE shows how much the company's ability to generate profits with its own capital. The higher the ROE means the better the company's performance in managing its capital to generate profits for shareholders. In this study ROE is calculated using the following formula:

$$ROE = \frac{\text{net profit after tax}}{Equity} \text{X}100\%$$

3.1.4. *Debt to Asset Ratio*(DAR)

DAR is used to measure how much the company's total assets are financed with total debt. The higher the DAR ratio means the greater the amount of loan capital used to invest in assets to generate

profits for the company. The DAR ratio is sought by comparing total debt with total assets . In this study, DAR was calculated using the following formula:

$$DAR = \frac{\text{Liability}}{\text{total asset}}$$

3.1.5. *Debt to Equity Ratio (DER)*

D E R is used to measure how much the company's equity is financed with total debt. The higher the DER ratio means the greater the amount of loan capital used to invest in assets to generate profits for the company. In this study, DER is calculated using the following formula:

$$DER = \frac{\text{total liability}}{\text{equity}}$$

3.1.6. *Dividend Payout Ratio* (DPR)

DPR is the percentage of profits that will be distributed as dividends. The higher the DPR, the smaller the portion of funds available to be reinvested as retained earnings. This ratio is sought by comparing the amount of dividends per share with *earnings per share* . In this study, DPR is calculated using the following formula:

$$DPR = \frac{\text{Dividen Per Share}}{\text{Earning Per Share}} \text{X } 100\%$$

3.1.7. *Net Profit Margin* (NPM)

NPM is a ratio that describes the level of profit earned by a company compared to the income received from its operational activities. This ratio shows how much percentage of net income is obtained from each sale. In this study NPM is calculated using the following formula:

$$\textit{Net Profit Margin} = \frac{EAT}{sales}$$

3.2. Data analysis method

3.2.1. Descriptive Statistical Analysis

Descriptive statistical analysis is statistical analysis that is used to analyze data by describing or depicting the data that has been collected as it is without intending to bring general conclusions or generalizations of descriptive statistics. The presentation of data is through tables, graphs, pie charts, pictograms, mode calculations, median. , mean, calculation of deciles, percentiles, calculation of the distribution of data through the calculation of the average and standard deviation, calculation of percentages. (Sugiyono, 2017: 232)

3.2.2. Classic assumption test

3.2.2.1. Normality test

The normality test is carried out to test whether in the regression model, the confounding variables or residuals are normally distributed or not (Ghozali, 2011: 160). This study uses a significant level of 5%, so the distribution of research data is declared normal if it has a probability value (sig)> 0.05.

3.2.2.2. Multicollinearity Test

The multicollinearity test aims to test the regression model and finds a correlation between the independent variables or not. A good regression model should not have a correlation between the independent variables. Multicollinearity can be seen with VIF, if VIF < 10 and tolerance value > 0.10 then there are no signs of multicollinearity (Ghozali, 2011: 105) .

3.2.2.3. Autocorrelation Test

The autocorrelation test aims to test whether in a linear regression model there is a correlation between the interference errors in the t period and the interference errors in the t-1 period. A good model, there will be no autocorrelation. . In this study, the autocorrelation test used the run test, with the criterion sig value > 0.05, so there was no autocorrelation in the study.

3.2.2.4. Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression there is an inequality of variance from one residual observation to another. To ensure that there is no heteroscedasticity, a sperm test is performed. The sperm test indicator seen from the independent variable has a significance <0.05, so there is an indication of heteroscedasticity. If the independent variable has a significance > 0.05, then there is no heteroscedasticity .

3.2.3. Hypothesis testing

3.2.3.1. Multiple Linear Regression Analysis

To test the effect of the independent variables on the dependent variable using multiple linear regression analysis. The multiple linear regression model is indicated by the following equation:

HS=α+β1 ROA+ β2 ROE+ β3 ROI+ β4 DAR+ β5 DER + β6 DPR + β7 NPM + ∑

Information:

HS	= Share Price
α	= Constant
β1- β7	= Regression Coefficient
ROA	= *Return On Assets*
ROE	= *Return On Equity*
ROI	= *Return On Investment*
DAR	= *Debt To Assets Ratio*
DER	= *Debt to Equity Ratio*
DPR	= *Dividend Payout Ratio*
NPM	= *Net Profit Margin*
∑	= Coefficient of interference

3.2.3.2. Adj R^2

The coefficient of determination (Adj R^2) is used to measure the ability of the model to explain the variation of the independent variables. If the value of the coefficient of determination shows results close to one, then the independent variable will provide almost all the information needed to predict the dependent variable.

3.2.3.3. F statistic test (F-Test)

A statistical test or often referred to as the F test is used to test whether the research model is fit or not. The F test in this study was carried out by looking at the significant probability value (Sig). If the probability value is significant (Sig) <0.05, then simultaneously the regression model is considered fit.

3.2.3.4. t test

The t test is one of the statistical tests used to test the truth of the hypothesis proposed by researchers in differentiating the average in population groups. The t test in this study was carried out by looking at the significant probability value (Sig). If the probability value is significant (Sig)

<0.05, then partially each variable has a significant influence between the independent variables on the dependent variable.

IV. RESULTS

In this study there are 82 company data populations. The number of companies obtained based on predetermined sampling criteria is 17 company data. So there are 85 observed data and only 82 observed data that can be further processed to support proof of the hypothesis.

4.1. Descriptive Statistical Analysis

Table 1. Results of Descriptive Statistics

Variable	N	Minimum	Maximum	Means	Standard Deviation
Return On Assets	82	0.00	1.19	0.1112	0.18282
Return On Equity	82	0.01	0.39	0.1561	0.078829
Debt to Assets Ratio	82	0.15	13.68	0.6994	1.47527
Debt to Equity Ratio	82	0.18	16.08	2.5621	3.41194
Dividend Payout Ratio	82	0.01	14,24	0.7671	1.56975
Net Profit Margins	82	0.01	0.47	0.1656	0.11106
Stock price	82	148	22,150	6,541,024	4969,3484

Source: Processed data (2023)

Based on the results of the descriptive statistical tests that have been carried out, it shows that the total sample (N) of this study was 82 companies during 2018-2020. The following is the interpretation of each variable:

1. Share Price (Y), has a minimum value of 148 and a maximum value of 22,150. The average value is 6541.024 and the standard deviation is 4969.3484 .
2. Return On Assets (X1), has a minimum value of 0.00 and a maximum value of 1.19. The average value of the statement is 0.1112 and the standard deviation value is 0.18282 .
3. Return On Equity (X2), has a minimum value of 0.01 and a maximum value of 0.39 . With the overall average statement is 0.1561 and has a standard deviation value of 0.078829 .
4. Debt to Assets Ratio (X3), has a minimum value of 0.15 and a maximum value of 13.68 . With the overall average statement is 0.6994 and has a standard deviation value of 1.47527 .
5. Debt to Equity Ratio (X4), has a minimum value of 0.18 and a maximum value of 16.08 . With the overall average statement is 2.5621 and has a standard deviation value of 3.41194 .
6. Dividend Payout Ratio (X5), has a minimum value of 0.01 and a maximum value of 14.24 . With the overall average statement is 0.7671 and has a standard deviation value of 1.56975 .
7. Net Profit Margin (X6), has a minimum value of 0.01 and a maximum value of 0.47 . With the overall average statement is 0.1656 and has a standard deviation value of 0.11106.

4.2. Classic assumption test

4.2.1. Normality test

The normality test in this study used the *Kolmogrov-Smirnov Monte Carlo test* for each variable. The *Kolmogrov-Smirnov test results* showed a significant value of 0.146 > 0.05. From these results it can be concluded that the regression equation model in this study is normally distributed. Following are the results of the normality test with the *Kolmogrov-Smirnov approach* :

Table 2. Test Results Normality

	Unstandardized residual	Conclusion
asymp. Sig. (2-tailed)	0.146	Normal

Source: Processed data, 2023

4.2.2. Multicollinearity Test

The following are the results of the multicollinearity test from the research that has been done:

Table 3. Results Test Multicollinearity

Information	Tolerance Values	VIF	Information
ROA	0.191	5,225	There is no multicollinearity
ROE	0.341	2,931	There is no multicollinearity
DAR	0.257	3,887	There is no multicollinearity
DER	0.730	1,370	There is no multicollinearity
DPR	0.952	1,050	There is no multicollinearity
NPM	0.657	1,523	There is no multicollinearity

Source: Processed data, 2023

Based on the results of the multicollinearity test in the table above, it shows that the *tolerance value* is above 0.05 and the VIF value is below 10 on the variables ROA, ROE, DAR, DER, DPR and NPM, so it can be concluded that the regression model in this study did not occur multicollinearity.

4.2.3. Autocorrelation Test

The following are the results of the autocorrelation test:

Table 4. Results Test Autocorrelation

Significance of Runs Test	**Information**
0.075	There is no autocorrelation

Source: Processed data, 2023

Based on the results of the autocorrelation test, it shows a significance value of 0.075 > 0.05, which means there is no autocorrelation problem.

4.2.4. Heteroscedasticity Test

Following are the results of the heteroscedasticity test:

Table 5. Heteroscedasticity Test Results

Variable	**Significance**	**Conclusion**
ROA	0.638	Heteroscedasticity does not occur
ROE	0.322	Heteroscedasticity does not occur
DAR	0.477	Heteroscedasticity does not occur
DER	0.744	Heteroscedasticity does not occur
DPR	0.222	Heteroscedasticity does not occur
NPM	0.509	Heteroscedasticity does not occur

Source: Processed data, 2023

Based on the heteroscedasticity test, it shows that the significance value is more than 0.05 for the variables ROA, ROE, DAR, DER, DPR and NPM, so it can be concluded that the regression model in this study did not occur heteroscedasticity.

4.3. Hypothesis testing

4.3.1. Multiple Linear Regression Analysis

5. Following are the results of multiple linear regression analysis:

Table 6. Results Multiple Linear Test

Variable		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	1 0.043 , 708	1622,199		6 , 191	0.000 _
	ROA	1.263 , 047	6412,535	0.046 _ _	0.197 _ _	0.844 _ _
	ROE	- 27 . 281,008	11214,703	- 0.430 _ _	- 2,433	0.017 _ _
	DAR	-129,414	685,355	-0.038 _ _ _	- 0.189	0.851 _ _
	DER	-543,232	175,928	- 0.373 _ _	- 3 , 088	0.003 _ _
	DPR	333,641	334,849	0.105 _ _	1 , 996	0.322 _ _
	NPM	11126,857	5699,242	0.249 _ _	1, 952	0 .0 55

Source: Processed data, 2023

Based on the results of the multiple linear regression test in the table above, the regression equation model can be made as follows:

HS=1 0.043 , 708 + 1.263 , 047 ROA- 27 . 281,008 ROE-129,414DAR -543,232D E R+ 333,641 DPR + 11,126,857NPM + e

5.1.1. Adj R ²

Following are the results of the adjusted R square test (Adj R ²):

Table 7. Test Results for the Coefficient of Determination (R ²)

R	R Square	Adjusted R Square	Std Error of the Estimate
0.449	0.201	0.137	4.615,55986

Source: Processed data, 2023

Based on the results of the adjusted R square test (Adj R ²) in the table above, it can be seen that the Adjusted R ² value is 0.201 or 20.1%. It can be concluded that the dependent variable of investment decisions can be explained by the independent variables namely ROA, ROE, DAR, DER, DPR and NPM of 13.7%. While the remaining 86.3% is explained by other variables outside this research model.

5.1.2. Statistical Test F

Table 8. Statistical Test Results F

Variable	F-count	F-table	Sig	Information
ROA, ROE, DAR, DER, DPR, NPM	3,149	2,21	0.008	Influential

Source: Processed data, 2023

In this study, the significance value used in the study was 5%. From the table above it can be interpreted that the F-count is greater than the F-table value, namely 3.149> 2.21 and the significance value is less than 5%, namely 0.008 <0.05, proving that the independent variables jointly affect the dependent variable .

5.1.3. t test

Table 9. T test results

Variable	t-table	t-count	*Sig.*	Conclusion
ROA	1,989	0.197 _ _	0.844 _ _	H1 Rejected _
ROE	1,989	- 2,433	0.017 _ _	H_2 Accepted
DAR	1,989	- 0.189	0.851 _ _	H_3 Rejected
DER	1,989	- 3 , 088	0.003 _ _	H_4 Accepted
DPR	1,989	1 , 996	0.322 _ _	H_5 Rejected
NPM	1,989	1, 952	0 .0 55	H_6 Rejected

Source: Processed data, 202 3

In this study using the provisions of the significance level (α) = 0.05/2, the value of df (n-1) = (82-1) = 81. From the table above the results of the t test for each variable can be interpreted as follows:

Raturn On Assets (ROA)

Profitability variable (ROA) has a smaller t-count than t-table (0.197 <1.989) with a significance value greater than 5% (0.844 > 0.05). So that H1 is rejected and the ROA variable has no effect on stock prices.

Return On Equity (ROE)

The liquidity variable (ROE) has a smaller t-count than t-table (-2.433 <1.989) with a significance value of less than 5% (0.017 <0.05). So that H2 is accepted and the ROE variable affects stock prices.

Debt on Asset Ratio (DAR)

The solvency variable (DAR) has a smaller t-count than t-table (-0.189 <1.989) with a significance value greater than 5% (0.851 <0.05). So that H3 is rejected and the DAR variable has no effect on stock prices.

Debt On Equity Ratio (DER)

The activity variable (DER) has a smaller t-count than t-table (-3.088 <1.989) with a small significance value of 5% (0.003 <0.05). So that H_4 is accepted and the DER variable affects stock prices.

Dividend Payout Ratio (DPR)

The inflation variable (DPR) has a larger t-count than t-table (1.996 >1.989) with a significance value greater than 5% (0.322 > 0.05). So that H5 is rejected and the DPR variable has no effect on stock prices.

Net Profit Margin (NPM)

The inflation variable (DPR) has a smaller t-count than t-table (1.952 <1.989) with a significance value greater than 5% (0.055 > 0.05). So that H_6 is rejected and the NPM variable has no effect on stock prices.

V. CONCLUSION

Based on the results of data processing that has been done about the effect*Return On Assets (ROA), Return On Equity (ROE), Debt to Assets Ratio (DAR), Debt to Equity Ratio (DER), Devidend Payout Ratio (DPR), and Net Profit Margin (NPM)* to Share Price to company value for LQ45 companies listed on the Indonesian Stock Exchange in 2017-2021 several conclusions can be drawn, including the following, *Return On Assets* has no effect on stock prices , so the 1st hypothesis is rejected. *Return On Equity* has no effect on stock prices , so the 2nd hypothesis is accepted. *Debt To Assets Ratio* has no effect on stock prices , so the 3rd hypothesis is rejected. *The Debt To Equity Ratio* has no effect on stock prices , so the 4th hypothesis is accepted. *Dividend Payout Ratio* has no effect on stock prices , so the 5th hypothesis is rejected.*Net Profit Margin* has no effect on stock prices , so the 6th hypothesis is rejected.

Thank you

This scientific writing still has some shortcomings and limitations, because it only uses a sample of companies listed on LQ45, so it cannot know the conditions in other companies and has not used external factors to determine the effect of stock prices, so it cannot know external factors that can affect prices. stock .

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